

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re DYNEGY, INC. SECURITIES
LITIGATION

§ Master File No. H-02-1571

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CLASS ACTION

This Document Relates To:

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ALL ACTIONS.

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**[PROPOSED] ORDER APPROVING PLANS OF ALLOCATION OF SETTLEMENT
PROCEEDS**

THIS MATTER having come before the Court on Lead Plaintiff's application for approval of the Plans of Allocation of net settlement proceeds in the above-captioned action; the Court having considered all papers filed and proceedings had herein and otherwise being fully informed in the premises;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. Pursuant to and in full compliance with Rule 23 of the Federal Rules of Civil Procedure, this Court hereby finds and concludes that due and adequate notice was directed to all persons and entities who are Class Members advising them of the Plans of Allocation and of their right to object thereto, and a full and fair opportunity was accorded to all persons and entities who are Class Members to be heard with respect to the Plans of Allocation.

2. The Court hereby finds and concludes that the formulae for the calculation of the claims of Authorized Claimants that is set forth in the notices of pendency and settlement of class action (the "Notice") sent to Class Members, provides a fair and reasonable basis upon which to allocate the net settlement proceeds established by the stipulation with the above Defendants among Class Members, with due consideration having been given to administrative convenience and necessity.

3. The Court hereby finds and concludes that the Plans of Allocation set forth in the Notice is in all respects fair and reasonable and the Court hereby approves the Plans of Allocation.

Dated: _____, 2005

SO ORDERED:

Honorable Sim Lake
United States District Judge

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing [PROPOSED] ORDER APPROVING PLANS OF ALLOCATION OF SETTLEMENT PROCEEDS document has been served by sending a copy via electronic mail to www.dynseclit.com on June 30, 2005 pursuant to the Court's service orders.

A handwritten signature in black ink, appearing to read "Mo Maloney", is written above a horizontal line.

MO MALONEY